



2017/18
SERVICE DELIVERY & BUDGET
IMPLEMENTATION PLAN

10 Claughton Terrace
Mooi-River
3300

“Ikusasa lisezandleni zethu, Masakhe”

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Mpofana Municipality SDBIP 2017/18

1. INTRODUCTION

The development, implementation of the Service Delivery and Budget implementation Plan (SDBIP) is required by the Municipal Finance Management Act (MFMA). In terms of Circular 13 of National Treasury, “The SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the Municipality and will be possible if the IDP and the budget are fully aligned with each other, as required by the MFMA

As the budget gives effect to the strategic priorities of the municipality, it is important to supplement the budget and the IDP with a management and the implementation plan. The SDBIP serves as a commitment by the Mpofana Municipality, which includes the administration, council and community, whereby the intended objectives and projected achievements are expressed in order to ensure that desired outcomes over the long term are achieved and these are implemented by the administration in the 2017/18 financial year.

The SDBIP provides the basis for measuring performance in service delivery against quarterly targets and implementing the budget based on monthly projections. Circular 13 further suggests that “the SDBIP provides the vital link between the Mayor and the Administration, and facilitate the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the Mayor, the Municipal Manager, Senior Managers and community”

The purpose of the SDBIP is to monitor the execution of the budget, performance of senior management and achievement of the strategic objectives set by the Council, It enables the Municipal Manager to monitor the performance of senior managers, The Mayor to monitor the performance of the Municipal Manager, and the community to monitor the performance of the municipality. In the interest of good governance and better accountability, the SDBIP should therefore determine and be aligned with the performance agreements by the Municipal Manager and senior Managers.

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Foreword by the Mayor

I am honored and humbled to submit to you, in terms of the MFMA Municipal Finance Management Act, the revised IDP 2017/2018-Service Delivery and Budget Implementation Plan. The Service Delivery and Budget Implementation Plan is a strategic document that will inform decision making on resource allocation and service delivery. We are proud that this SDBIP has been compiled through extensive public consultation and participation process which was done for the purposes of the IDP review process.

This shows that Mpofana Municipality fully understands the importance of democracy and that no development of people can take place without their involvement.

We have made enormous strides in fulfilling our constitutional obligation by implementing five strategic programmes embedded in our vision: economically viable and developmental municipality, creating job opportunities, affordable place to inhabit, promote environmental sustainability and a strong competitor for economic and tourism investment municipality.

We will continue to put more effort to achieve our vision and forge intergovernmental relations. The existing partnerships formed with private, public and civil society has contributed to positive business environment. The benefit of these partnerships has already started to generate fruits in reviving economic growth within Mpofana Municipality.

We have prioritized economic growth and development to address unemployment and poverty. Industrial Development and Agro-processing is one of the strategic priorities to stimulate economic growth and job creation. The Municipality has better positioned itself in meeting the needs and priorities of the community by re-aligning its organizational structure and embarked on filling in the critical posts. This will ensure that we strengthen management of resources and accelerate service delivery. We are mindful that an intergovernmental relation is critical for the successful implementation of this IDP. Therefore this revised IDP is inclusive of the programmes, projects and financial investments from other government departments and other key stakeholders.

As the Executive Authority of Mpofana Municipality, I wish to say we are committed to explore all the avenues and mobilize financial and human resources to ensure the successful implementation of this SDBIP. Better is not good enough the best is yet to come for Mpofana citizens.

Honorable Mayor X Duma

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2. LEGISLATION

According to the Municipal Finance Management Act (MFMA) the definition of the SDBIP is:

“Service Delivery and Budget Implementation Plan” means a detailed plan approved by the Mayor of a Municipality in terms of section 53 (1) (c) (ii) for implementing the municipality’s delivery of municipal services and its annual budget, and which must indicate-

- a) Projections for each month of-
 - (i) Revenue to be collected, by source, and
 - (ii) Operational and capital expenditure, by vote;
- b) Service Delivery targets and performance indicators for each quarter

Section 53 of the MFMA stipulates that the Mayor should approve the SDBIP within 28 days after the approval of the budget. The Mayor must also ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the Service Delivery and Budget Implementation Plan are made public within 14 days after the approval.

Section 1 of the MFMA defines a “vote” as:

- a) One of the main segments into which a budget of municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality; and
- b) Which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

3. COMPONENTS

National Treasury directives are quite clear on the contents and methodology to derive the SDBIP. As a first step, the IDP objectives need to be quantified and related into key performance indicators. The budget is aligned to the objectives, projects and milestones to enable the SDBIP to serve as monitoring tool for service delivery. What gets measured, gets done, therefore it should be noted, that in order to improve on certain processes and co-operation within the municipality, process indicators have been developed for the measurement purposes during the 2015/16 financial year.

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The Mpofana Municipality has incorporated the following relevant components into their SDBIP, but has used the initiative to derive it as follows:

1. Monthly projections of Revenue by Source
2. Monthly projections of Revenue and Expenditure by Vote
3. Monthly projections of Capital Expenditure by Vote
4. Quarterly projections of service delivery targets and performance indicators for each vote
5. Capital Works Plan over three years

In the development of Mpofana Municipality's SDBIP cognizance was taken of the IDP priorities, Objectives and Strategies as well as the Turn-Around Strategy contained in the IDP ensuring progress towards the achievement thereof. The SDBIP of Mpofana Local Municipality is aligned to the Key Performance Areas (KPA's) as prescribed by Regulations 805 of 2006 and the IDP guidelines by COGTA for purposes of alignment to the Performance Agreements of the Municipal Manager and the Managers directly accountable to the Municipal Manager.

The Institutional indicators will form part of the Performance Agreements and Plans of the Municipal Manager and the Managers directly accountable to the Municipal Manager. Indicators are assigned quarterly targets and responsibilities to monitor performance; remedial steps are also put in place where poor performance.

The SDBIP serves as a management, implementation and monitoring and that will assist the Mayor, Councilors, Municipal Manager and Senior Managers in delivering services to the community. The SDBIP is described as a layered plan. The top layer deals with consolidated service delivery targets and time frames as indicated on this plan. Top Management is held accountable for the implementation of the consolidated projects and Key Performance Indicators.

4. VISION, MISSION AND VALUES

In line with the National Development Plan, the strategic vision of the Mpofana Local Municipality is in existence, although there has been a call to revise it, this process however should be subject to Public Participation. The Vision of Mpofana Local Municipality is

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LONG TERM VISION

“By Year 2030, Mpofana will be an economically vibrant and developmental municipality, able to generate employment for all its economically active residents, be affordable place to inhabit, and with its environmental endowment, be strong competitor for tourist trade and investment.”

The Strategic Mission speaks about what the purpose of the Mpofana Local Municipality . The Mission is

“Mpofana Municipality is a pro-active, democratic and accountable municipality committed to social and economic development, provision of efficient, affordable, sustainable and customer-oriented services to its community whilst striving to sustain financial viability. Mpofana Municipality is a pro-active, democratic and accountable municipality committed to social and economic development, provision of efficient, affordable, sustainable and customer-oriented services to its community whilst striving to sustain financial viability.”

Values represent the core priorities of an organization’s culture, including what drives employees and politicians within the municipality to achieve set strategies. The **Values** of Mpofana Local Municipality are:

Integrity
Honesty
Transparency
Openness

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5. STRATEGIC OBJECTIVES

KEY PERFORMANCE AREA	STRATEGIC OBJECTIVE	MEASURABLES	RESPONSIBLE DEPARTMENT
Municipal Transformation and Organizational Development	To improve functionality of Municipal Performance Management System	Adopted PMS Policy	Office of the MM
	Reengineer Organisation to enhance strategic needs		
	To improve administrative systems and processes		
Basic Service Delivery	To increase access to Basic Services	Increased Access to Roads, Electricity and Waste Collection	Technical Services
Local Economic and Social Development	To strengthen the economic environment.	Number of LED Forums Established and Functional	Social and Economic Development Services
Municipal Financial Viability and Management	Increase funding and revenue generation	Increased revenue generation	Financial Services
	Improve expenditure and maximise the economies of scale.	Improved expenditure	
	Optimise budgeting and accountability of finances	Optimised budgeting and increased financial accountability	
Good Governance and Public Participation	To Improve compliance and audit opinion	Develop Audit Action Plan	Office of the Municipal Manager and Social and Economic Development Services
	To Improve Municipal Governance		
	To Improve public participation and awareness	Functional Ward Committees	Social and Economic Development Services

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	Improve municipal internal and external communication	Improved Internal and External Internal	
Cross Cutting Issues	To Strengthen Governance and IGR	Functional IGR Structures	Office of the MM, Social and Economic Development Services
	Establish Disaster Management Unit.	Established Disaster Management Unit	
	Facilitation of Disaster Management Awareness campaigns	Awareness Campaigns Facilitated	
	Improve response to disasters in collaboration with the District Municipality	Improved response to Disasters	
	Develop a Credible IDP	Credible IDP Rating	
	Improved SDF Planning	Improved SDF	
	Support the implementation campaigns directed to Youth and vulnerable groups.	Campaigns Implemented	
	Co-ordinate the implementation of HIV & AIDS Strategy	Programmes Implemented	

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KZN223 Mpfana - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2017/18											
		July	August	Sept.	October	November	December	January	February	March	April	May	June
R thousand													
Revenue - Functional													
<u>Governance and administration</u>		2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	7 997
Executive and council		49	49	49	49	49	49	49	49	49	49	49	5 309
Finance and administration		2 688	2 688	2 688	2 688	2 688	2 688	2 688	2 688	2 688	2 688	2 688	2 688
Internal audit													-
<u>Community and public safety</u>		896	896	896	896	896	896	896	896	896	896	896	896
Community and social services		698	698	698	698	698	698	698	698	698	698	698	698
Sport and recreation													-
Public safety		177	177	177	177	177	177	177	177	177	177	177	177
Housing		21	21	21	21	21	21	21	21	21	21	21	21
Health													-
<u>Economic and environmental services</u>		927	927	927	927	927	927	927	927	927	927	927	927
Planning and development													-
Road transport		927	927	927	927	927	927	927	927	927	927	927	927
Environmental protection													-
<u>Trading services</u>		6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470
Energy sources		6 193	6 193	6 193	6 193	6 193	6 193	6 193	6 193	6 193	6 193	6 193	6 193
Water management													-
Waste water management													-
Waste management		277	277	277	277	277	277	277	277	277	277	277	277
<u>Other</u>													-
Total Revenue - Functional		11 029	11 029	11 029	11 029	11 029	11 029	11 029	11 029	11 029	11 029	11 029	16 290
			17 968	17 968	17 968	17 968	17 968	17 968	17 968	17 968	17 968	17 968	
Expenditure - Functional													
<u>Governance and administration</u>		3 855	3 855	3 855	3 855	3 855	3 855	3 855	3 855	3 855	3 855	3 855	3 855
Executive and council		351	351	351	351	351	351	351	351	351	351	351	352
Finance and administration		3 503	3 503	3 503	3 503	3 503	3 503	3 503	3 503	3 503	3 503	3 503	3 503
Internal audit													-
<u>Community and public safety</u>		629	629	629	629	629	629	629	629	629	629	629	629
Community and social services		465	465	465	465	465	465	465	465	465	465	465	465
Sport and recreation													-
Public safety		164	164	164	164	164	164	164	164	164	164	164	164
Housing													-

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Health	-												-
<u>Economic and environmental services</u>	-	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>	<u>1 482</u>
Planning and development	-	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>108</u>
Road transport	-	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>	<u>1 375</u>
Environmental protection	-												-
<u>Trading services</u>	-	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 152</u>	<u>7 151</u>
Energy sources	-	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>	<u>6 936</u>
Water management	-												-
Waste water management	-												-
Waste management	-	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>216</u>	<u>215</u>
<u>Other</u>	-												-
<u>Total Expenditure - Functional</u>	-	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 117</u>	<u>13 118</u>
<u>Surplus/(Deficit) before assoc.</u>	-	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>3 172</u>
Share of surplus/ (deficit) of associate	-												-
<u>Surplus/(Deficit)</u>	<u>1</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>(2 088)</u>	<u>3 172</u>

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C) Service delivery targets and performance indicators for each quarter (Attached)

1.2 Overview

The Integrated Development Plan serves as a vital instrument to express the developmental objectives and priorities of the municipality. It identifies the strategic issues that need to be addressed by the municipality to fulfill the developmental mandate as pronounced in the constitution of the Republic of South Africa.

The Mpofana municipality's mission is to be a pro-active, democratic and accountable municipality committed to social and economic development, provision of efficient, affordable, sustainable and customer-oriented services to its community whilst striving to sustain financial viability. In trying to pursue this mission, the municipality has set itself a vision that integrates and captures all the strategic intent aimed at achieving the aspirations of its community ; “By the year 2030, Mpofana will be a sustainable, socially, and economically developed municipality, that encourages community participation and whose residents live in a safe and healthy environment. Mpofana will, in addition have substantially increased its district's gross geographic product whilst also having realized substantially decreased its share of poverty.

2. Background to the Budget Preparation Process

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Mpofana municipality has prepared its budget in accordance with the provisions of chapter 4 of the Municipal Finance Management Act 56 of 2003. The budget focuses on priorities identified in the Integrated Development Plan. It therefore gives effect to strategic priorities of the municipality.

The tabling of the Draft Budget and IDP to the Council on the 31ST of March 2017 was followed by extensive publication of the Budget and the IDP, the documents were placed at strategic places and public institutes (Libraries, Community Halls and other Public Institutes) inviting comments from all municipal stakeholders. Various public and community consultative meetings were scheduled to receive representations and submissions from ward committees, residents, community organizations, and other stakeholders (for all consultative Meetings, where public comments and inputs were sought)

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Consolidated Overview

Description R thousand	Ref 1	2017/2018 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Total Revenue		139 421	145 627	157 233
Total Expenditure		157 407	149 431	160 731
Total Capital Expenditure		12 919	12 608	13 076

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Operating Budget 2017/18

Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1			
Revenue By Source				
Property rates	2	15,240	16,108	17,010
Service charges - electricity revenue	2	57,465	60,740	64,141
Service charges - water revenue	2	–	–	–
Service charges - sanitation revenue	2	–	–	–
Service charges - refuse revenue	2	3,327	3,517	3,714
Service charges - other				
Rental of facilities and equipment		252	267	281
Interest earned - external investments		397	419	443
Interest earned - outstanding debtors		2,897	3,062	3,234
Dividends received				
Fines, penalties and forfeits		8,218	8,687	9,173
Licences and permits		3,937	4,161	4,394
Agency services				
Transfers and subsidies		44,614	44,521	50,459
Other revenue	2	3,074	4,144	4,383
Gains on disposal of PPE				
Total Revenue (excluding capital transfers and contributions)		139,421	145,627	157,233
Expenditure By Type				
Employee related costs	2	35,343	37,355	39,447
Remuneration of councillors		3,188	3,370	3,589
Debt impairment	3	15,530	16,415	17,335
Depreciation & asset impairment	2	7,622	8,403	9,456

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Finance charges		720	761	804
Bulk purchases	2	66,390	70,174	70,390
Other materials	8			
Contracted services		6,363	6,725	6,719
Transfers and subsidies		–	–	–
Other expenditure	4, 5	22,251	16,227	12,992
Loss on disposal of PPE				
Total Expenditure		157,407	159,431	160,731
Surplus/(Deficit)		(17,987)	(13,804)	(3,498)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		12,164	12,608	13,076
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	–	–	–
Transfers and subsidies - capital (in-kind - all)		(5,823)	(1,196)	9,578
Surplus/(Deficit) after capital transfers & contributions				
Taxation				
Surplus/(Deficit) after taxation		(5,823)	(1,196)	9,578
Attributable to minorities				
Surplus/(Deficit) attributable to municipality		(5,823)	(1,196)	9,578
Share of surplus/ (deficit) of associate	7			
Surplus/(Deficit) for the year		(5,823)	(1,196)	9,578

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Revenue by Source

4.3 Revenue by Source

<u>Description</u>	<u>Ref</u>	<u>2017/18 Medium Term Revenue & Expenditure Framework</u>		
		<u>Budget Year 2017/18</u>	<u>Budget Year +1 2018/19</u>	<u>Budget Year +2 2019/20</u>
<u>R thousand</u>	<u>1</u>			
<u>Revenue By Source</u>	-	-	-	-
Property rates	2	15,240	16,108	17,010
Service charges - electricity revenue	2	57,465	60,740	64,141
Service charges - water revenue	2	-	-	-
Service charges - sanitation revenue	2	-	-	-
Service charges - refuse revenue	2	3,327	3,517	3,714
Service charges - other	-	-	-	-
Rental of facilities and equipment	-	252	267	281
Interest earned - external investments	-	397	419	443
Interest earned - outstanding debtors	-	2,897	3,062	3,234
Dividends received	-	-	-	-
Fines, penalties and forfeits	-	8,218	8,687	9,173
Licences and permits	-	3,937	4,161	4,394
Agency services	-	-	-	-
Transfers and subsidies	-	44,614	44,521	50,459
Other revenue	2	3,074	4,144	4,383
Gains on disposal of PPE	-	-	-	-
<u>Total Revenue (excluding capital transfers and contributions)</u>	-	<u>139,421</u>	<u>145,627</u>	<u>157,233</u>

Expenditure by type

		2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20
<u>Expenditure By Type</u>	-	-	-	-
<u>Employee related costs</u>	2	35,343	37,355	39,447
<u>Remuneration of councillors</u>	-	3,188	3,370	3,589
<u>Debt impairment</u>	3	15,530	16,415	17,335
<u>Depreciation & asset impairment</u>	2	7,622	8,403	9,456
<u>Finance charges</u>	-	720	761	804
<u>Bulk purchases</u>	2	66,390	70,174	70,390
<u>Other materials</u>	8	-	-	-
<u>Contracted services</u>	-	6,363	6,725	6,719
<u>Transfers and subsidies</u>	-	=	=	=
<u>Other expenditure</u>	4, 5	22,251	16,227	12,992
<u>Loss on disposal of PPE</u>	-	-	-	-
<u>Total Expenditure</u>	-	157,407	159,431	160,731

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Grants and Subsidies

<u>Description</u>	<u>Ref</u>	<u>2017/18 Medium Term Revenue & Expenditure Framework</u>		
		<u>Budget Year 2017/18</u>	<u>Budget Year 2018/19</u>	<u>Budget Year +2 2019/20</u>
<u>R thousand</u>	-			
<u>EXPENDITURE:</u>	<u>1</u>	-	-	-
-	-	-	-	-
<u>Operating expenditure of Transfers and Grants</u>	-	-	-	-
<u>National Government:</u>	-	<u>43,125</u>	<u>42,958</u>	<u>48,822</u>
Local Government Equitable Share	-	<u>29,225</u>	<u>31,803</u>	<u>33,407</u>
Energy Efficiency and Demand Management	-	<u>6,000</u>	<u>6,000</u>	<u>5,000</u>
Integrated National Electrification Programme	-	<u>5,000</u>	<u>3,000</u>	<u>8,000</u>
Finance Management	-	<u>1,900</u>	<u>2,155</u>	<u>2,415</u>
EPWP Incentive	-	<u>1,000</u>	-	-
Municipal Systems Improvement	-	-	-	-
Other transfers/grants [insert description]	-	-	-	-
<u>Provincial Government:</u>	-	<u>1,489</u>	<u>1,563</u>	<u>1,637</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Other transfers/grants [insert description]	-	<u>1,489</u>	<u>1,563</u>	<u>1,637</u>
<u>District Municipality:</u>	-	<u>-</u>	<u>-</u>	<u>-</u>
[insert description]	-	-	-	-
-	-	-	-	-

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<u>Other grant providers:</u>	-	<u>-</u>	<u>-</u>	<u>-</u>
<u>[insert description]</u>	-	-	-	-
-	-	-	-	-
<u>Total operating expenditure of Transfers and Grants:</u>	-	<u>44,614</u>	<u>44,521</u>	<u>50,459</u>
<u>Capital expenditure of Transfers and Grants</u>	-	-	-	-
-	-	-	-	-
<u>National Government:</u>	-	<u>12,164</u>	<u>12,608</u>	<u>13,076</u>
<u>Municipal Infrastructure Grant (MIG)</u>	-	<u>12,164</u>	<u>12,608</u>	<u>13,076</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>Other capital transfers/grants [insert desc]</u>	-	-	-	-
<u>Provincial Government:</u>	-	<u>-</u>	<u>-</u>	<u>-</u>
<u>Cogta</u>	-	-	-	-
<u>District Municipality:</u>	-	<u>-</u>	<u>-</u>	<u>-</u>
<u>[insert description]</u>	-	-	-	-
-	-	-	-	-
<u>Other grant providers:</u>	-	<u>-</u>	<u>-</u>	<u>-</u>
<u>[insert description]</u>	-	-	-	-
-	-	-	-	-
<u>Total capital expenditure of Transfers and Grants</u>	-	<u>12,164</u>	<u>12,608</u>	<u>13,076</u>
-	-	-	-	-
<u>TOAL EXPENDITURE OF TRANSFERS AND GRANTS</u>	-	<u>56,778</u>	<u>57,129</u>	<u>63,535</u>

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The Above table represents Capital Budget that has been budgeted for 2017/18 financial year, see page 19 for the detailed Capital Work Plan.

The cost of providing free basic service- The Municipality has set aside R100, 000 for providing Indigent aid at this stage this figure is exclusive of Ward 1, 2 and 4 (Which are yet to be included). The cost of providing free basic service will be borne by the Municipality although it must be said that the Municipality's unfunded budget poses serious challenges in meeting this target of providing free basic services.

Repairs and Maintenance (Expenditure Breakdown)

R&M Buildings	267 000	284 088	302 269
R&M Electricity reticulation	213 000	227 270	241 815
R&M Service Connections	42 720	45 454	48 363
R&M Machinery and Equipment	106 800	113 635	120 907
R&M Roads and Storm	1 068 800	1 136 352	1 209 078

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water			
R&M Street lights	64 080	68 181	72 544
R&M Vehicle Maintenance	106 800	113 635	120 907
Total R&M	1869000	1 988 616	2 115 887

General Expenditure

List of the budgeted Expenditure breakdown

Other Expenditure	Year1	Year2	Year3
Audit Fees	1,200,000.00	1,268,400.00	1,267,200.00
Finance Cost	170,000.00	179,690.00	179,520.00
MSCOA Implementation Programme	1,321,797.00	1,023,833.00	500,000.00
Deeds Transfers	10,000.00	10,570.00	10,560.00
Consultant and Prof Fees	350,000.00	369,950.00	378,628.00
Evaluation Expenses	350,000.00	369,950.00	369,600.00
Postage and Stamps	80,000.00	84,560.00	84,480.00
Advertising	310,000.00	327,670.00	327,360.00
Gabage Bags	3,000.00	3,171.00	3,168.00
Brooms	1,500.00	1,586.00	1,584.00
Dust Pans	1,000.00	1,057.00	1,056.00
Brush Cutter			

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	6,000.00	6,342.00	6,336.00
Slasher	18,000.00	19,026.00	19,008.00
Fuel and Oil	470,000.00	492,790.00	510,076.00
Trebunal Payments	40,000.00	42,280.00	42,240.00
Review of Town Planning Scheme	200,000.00	211,400.00	211,200.00
Shared Services	50,000.00	52,850.00	52,800.00
R&M	2,526,000.00	2,669,982.00	2,667,455.00
TLB Hire	540,000.00	570,780.00	570,240.00
Software	882,000.00	932,274.00	931,392.00
Accommodation	50,000.00	52,850.00	52,800.00
S&T	80,000.00	80,000.00	80,000.00
Conference Fees	50,000.00	52,850.00	52,800.00
Proclamation and Gazzette	20,000.00	21,140.00	21,120.00
Printing of ByLaws	80,000.00	84,560.00	84,480.00
Stationery	40,000.00	42,280.00	42,240.00
Insurance	200,000.00	211,400.00	211,200.00
Kitchen Appliance	4,000.00	4,228.00	4,224.00
Telephone	400,000.00	422,800.00	422,400.00
Water & Electricity	400,000.00	422,800.00	422,400.00

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Vehicle License Renewal	16,500.00	17,440.00	17,424.00
Transport	185,000.00	195,545.00	195,360.00
Training	380,000.00	401,660.00	401,280.00
Mandatory Grant	26,132.00	27,622.00	27,595.00
Bursary For Employee	200,000.00	211,400.00	211,200.00
Trophies & Medals	10,000.00	10,570.00	10,560.00
Catering	90,000.00	95,130.00	95,943.00
Sound System	10,000.00	10,570.00	10,560.00
Ward Committee Stipend	100,000.00	105,700.00	105,600.00
Educational Pamphlets	10,000.00	10,570.00	10,560.00
Calibration of Vehicle Examination Equipment	50,000.00	52,850.00	55,810.00
Uniform	320,000.00	338,240.00	357,247.00
	11,250,929.00	11,510,366.00	11,026,706.00

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3 Year Capital Works Plan

Ward	Project	Year	Funding Amount
1	Testing Route	2017/18	R6, 394,699.87
	Upper Town Road	2017/18	R 2 432 800
	Phofini Grave; Access	2018/19	
2	Rondebosch Gravel Road	2017/18	R 2 432 800
	Highover Gravel Road	2017/18	
3	Sthembiso Cabazini Road- Phase 2	2017/18	R 2 432 800
	Bruntville Access Roads	2018/19	R 2 500 000
	Bruntville Access Roads	2019/20	R 2 500 000
4	Mgqula Gravel Road	2017/18	R 2 432 800
	Vovonya Road	2018/19	R 2 500 000
5	Mangaung Access Road Phase 2	2017/18	R 2 432 800
	Phumlaas Inroads Road	2018/19	R 2 500 000
2,4&5	Electrification Project	2017/18	R5 000 000
1,3&5	Energy Efficiency Demand Project	2017/18	R 600 000

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Conclusion

This SDBIP which has 76 performance indicators and meets the SMART criteria has been prepared in line with Mpofana's approved 2017/18 Draft and Budget. The Strategic Objectives have been derived from the IDP and the monetary values have been extracted from the approved 2017/18 Final Budget. The SDBP will further be used as a yardstick for measuring performance against the planned targets for all Senior Managers. Once approved, this plan will be subject to review when the Municipality embarks on compiling its Section 72 report in January 2018. In compiling this plan, due regard has been given to the MFMA, MSA and the national 6 KPAs.

Outcome 9	National Key Performance	Objective	Key Performance Indicators	2015/17	Backlog	ANNUAL TARGET	ANNUAL ACTUAL	ANNUAL BUDGET	Q1 Target	ACTUAL	Q2 Target	ACTUAL	Q3 Target	ACTUAL	Q4 Target	ACTUAL	Responsible Dept	Evidence	Reason for Variance	Planned Improvement (Intervention)				
									Target		Target		Target		Target									
DIFFERENTIATED APPROACH TO MUNICIPAL FINANCIALS, PLANNING AND SUPPORT	MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	To improve functionality of Municipal Performance Management System	1	Adopt Municipal PMS Policy & Framework	1	NIL		1	N/A	NIL		NIL		REVIEW		NIL		Office of the MM	Resolution and Copy Pms Policy					
			2	Number of departmental performance reports submitted	2	NIL		4	N/A	N/A	SUBMIT		SUBMIT		SUBMIT		SUBMIT		Office of the MM	Departmental Reports (Updated Score-Card Reports)				
			3	Timous completion of 2014/15 APR	1	NIL		1	N/A	N/A	N/A		N/A		N/A		COMPLETION		Office of the MM	Copy of APR				
			4	No. of S54 /S6 posts filled	5	NIL		5	N/A	N/A	Operational (Salaries)		N/A		N/A		N/A		Office of the MM	5 Contracts of employment				
			5	No. of performance agreements signed and aligned for filled S54/S6 posts	5	NIL		5	N/A	N/A	5 performance Agreements Signed		N/A		N/A		N/A		Office of the MM	5Performance Agreements signed submitted				
			6	Reviewed Orgnogram	1	NIL		1	N/A	NIL		NIL		NIL				Adopt Orgnogram		Corporate Services	Copy of Approved Orgnogram			
			7	Revise and adopt equity employment plan	1	NIL		1	N/A	NIL			Adopted EE plan		NIL		NIL		Corporate Services	Resolution & Approved copy of EE Plan submitted to Labour				
			8	Number of people from employment equity target groups employed in the three highest levels of management in compliance with Municipality approved employment equity plan	9		4		1	N/A	NIL		NIL			Appoint		NIL		Corporate Services	Appointment Letter			
			9	Approval of WSP	1	NIL		1	N/A	N/A	Approve		NIL			NIL		NIL		Corporate Services	Resolution			
			10	% of Budget Spent on WSP	0%		100%		100%		R 25 000	NIL				R 25 000		NIL		Corporate Services	Annual Training Report			
		To Improve administrative systems and processes	11	No. of policies reviewed	5	NIL		10	N/A	N/A		2			3		2			Corporate Services	Resolutions			
			12	No. of new policies developed	NIL	NIL		2	N/A	N/A		0			0		2		0	Corporate Services	Resolutions			
			13	No. of council meetings held	10	NIL		10	N/A	N/A		3			3		3		3	Corporate Services	Minutes of council meetings			
			14	No. of portfolio committees held	48	NIL		48(12x4 committees)		N/A	N/A	12 (3 meetings per committee)			12 (3 meetings per committee)		12 (3 meetings per committee)		12 (3 meetings per committee)	Economic and Community Development	Minutes of council meetings			
		Basic Service Delivery	15	200 Electrified Houses	200 House holds	3844	Electrify 200 Houses			R6, 000 000	50 Units			50 Units		50 Units		50 Units		Technical Services	Completion Certificate for 200 Households			
16	Number of new Consumer Units with access to Refuse Removal		6800	2444	71 Units			Operational Cost	New 71 consumer units weekly refuse removal			71 consumer units weekly refuse removal		71 consumer units weekly refuse removal		71 consumer units weekly refuse removal		Technical Services	Monthly report on weekly refuse removal for the New Units					
17	Km's of Municipal roads maintained		2KM	20 KM	10 km				2,5KM			2,5KM		2,5 KM		2,5 KM		Technical Services	Road Maintenance Report					
18	Migula Gravel Road		Existing Dilapidated Gravel Road	50km	Upgrade Migula Gravel Road (Ward 4)				R 1 869 000	Advertise and Appoint			Construction		Construction		Complete		Technical Services	Practical Completion Certificate				
19	Shembiso-Cabazini Road		Existing Storm Water Pipes and Road		1 Shembiso-Cabazini Road (Turning) Phase 2 (Ward 3)				R 2 432 800				Construction		Construction				Technical Services	Practical Completion Certificate				
20	Mangung Access Road		Existing Dilapidated Gravel Road		3 Rehabilitated Mangung Access Road (Phase 2) Ward 5				R 2 432 800				Construction		Construction				Technical Services	Practical Completion Certificate				
21	Number of Progress report received on water and sanitation		None	12 Reports	12 Reports				N/A	3 Progress Reports			3 Progress Reports		3 Progress Reports		3 Progress Report		Technical Services	12 Progress submitted reports				
22	Upgraded Upper Town Road- Magistrate Court PMB Bank		Existing Dilapidated Tar	12KM	Upgrade Upper Town Road Magistrate Court- 0 6 Meetings				R 2 432 800	Advertise and Appoint			Construction		Construction		Construction		Technical Services	Practical Completion Certificate				
23	Number of Think Tanks Meetings Held (Housing Developments)			2 Meetings					N/A	1 Meeting			1 Meeting		1 Meeting		1 Meeting		Technical Services	Attendance Register and Minutes				
24	Upgraded High-Over Gravel Main Road		Existing Dilapidated Gravel Road		Upgrade Roodenbach Gravel Main Road (Ward 7)				R 2 432 800	Advertise and Appoint			Construction		Construction				Technical Services	Practical Completion Certificate				
	To strengthen economic environment	25	5 Leases Agreements for Wosa-Wosa	0	5	5 Lease Agreements		N/A	Maintain 5 Lease Agreements			Maintain 5 Lease Agreements		Maintain 5 Lease Agreements		Maintain 5 Lease Agreements		Economic and Community Development	5 Lease Agreements for Wosa-Wosa					
		26	No. of functional structures established(BM&L, LED forum Mapfane Tourism Association, reformed farmers association and co ops)	2	NIL		3 functional structures		N/A	Report			Report				Report		Economic and Community Development	Terms of reference, attendance register and minutes of meetings				
		27	Staging of the LED Summit	10	10	4				R 50 000	Planning			Stage Summit		N/A		N/A		Economic and Community Development	Attendance registers business plans and certificate			
DEEPEN DEMOCRACY THROUGH A REFORMED WARD COMMITTEE SYSTEM	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To improve compliance and audit opinion	28	All AG audits queries cleared	18	38	36		N/A			9		9		9		9		Office of the MM	Internal audit report and AG Report			
			29	Approved Audit Charter	1	0	6		N/A				1		1		1		1		Office of the MM	Resolution and Approved audit charter		
			30	number of Meetings Held MPAC	3	0	4		N/A			1		1		1		1		Corporate Services and Office of the MM	Minutes of Meetings			
			31	Number of Meetings Held (Audit)	3	Meetings took		4		N/A			1		1		1		1		Corporate Services and Office of the MM	Minutes of Meetings		
			32	Number of community meetings per ward	4	0	8		N/A		2		2		2		2		2		Corporate Services and Corporate Services	Minutes and Notice of Meeting		
			33	Isimbiso and Community Meetings Held	5		16		N/A		4			4		4		4		4		Economic and Community Development Services	Attendance register and report	
		34	Number of wards committees held	5		40				R 105 600	10			10		10		10		6		Attendance register and report		
	To improve Public Participation and awareness	35	No. trained people through Bathopele	3	N/A		3		N/A	N/A			N/A		3		N/A		Corporate Services	Attendance register and certificates				
		FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	To increase funding and revenue	36	Percentage Capital expenditure budget implementation (actual capital expenditure/Budget capital expenditure x 100)	56%	44%		100%	N/A			25%		25%		25%		Financial Services	Reports				
				37	Percentage operating expenditure budget implementation (actual operating expenditure/Budget operating expenditure x 100)	100%	NONE		100%	N/A		25%			25%		25%		25%		Financial Services	Reports		
				38	Percentage operating revenue budget implementation (actual operating revenue/Budget operating revenue x 100)	40%	60%		100%	N/A		25%			25%		25%		25%		Financial Services	Reports		
39	Percentage service charges and property rates revenue budget implementation (actual service charges and property rates revenue/Budget service charges and property rates revenue x 100)			0.4	0.6		100%	N/A		25%			25%		25%		25%		Financial Services	Reports				
IMPROVED MUNICIPAL FINANCIAL AND ADMINISTRATIVE CAPABILITY	CROSS CUTTING INTERVENTIONS	To Strengthen Governance and IGR	40	No. of IGR Forums attended	Some Partnerships have already been established	0	8		N/A			2		2		2		All Departments	Attendance Registers					
			41	No. of IIT meetings held	4	0	4		N/A		1			1		1		1		Economic and Community Development Services	Attendance Register			
			42	Number of war rooms held	48	0	48		N/A		3 meetings for each ward			3 meetings for each ward		3 meetings for each ward		3 meetings for each ward		All Heads of Department and Councilors	minutes and attendance register			
		43	Disaster Management Sector Plan	NOT IN PLACE	1	Develop Disaster Management Sector Plan		N/A	NIL		NIL			NIL				Develop Disaster Management Sector Plan		Economic and Community Development Services	Report, terms of reference and attendance register			

[illegible]